STATEMENT OF THE MANUFACTURERS OF EMISSION CONTROLS ASSOCIATION ON THE AIR RESOURCES BOARD'S PROPOSED REVISIONS TO THE CARL MOYER INCENTIVE PROGRAM GUIDELINES AND THE ESTABLISHMENT OF THE AGRICULTURAL ASSISTANCE PROGRAM

November 17, 2005

The Manufacturers of Emission Controls Association (MECA) is pleased to provide testimony in support of the Air Resources Board's proposed revisions to the Carl Moyer incentive program guidelines.

We commend the state of California for its leadership in establishing and recently expanding the Carl Moyer grant program. This innovative and important initiative has encouraged the owners of heavy-duty diesel engines to go beyond regulatory requirements by retrofitting, repowering, or replacing their engines with newer and cleaner engines. As discussed in the ARB staff report on the proposed guideline revisions, about 7,000 old, high-emission engines have been cleaned up since the Moyer program was initiated in 1998. The significant increase in funding for the Moyer program that resulted from legislation enacted in 2004 and 2005 will allow more projects to be funded over the next ten years and accelerate California's plans to meet its clean air goals for the people of California. The proposed guideline revisions under consideration by the Board provide a clear and consistent framework for both expanding the scope of eligible Moyer projects, and for defining appropriate projects for consideration under the Moyer grant program. MECA agrees with expanding the scope of the Moyer program to include projects that reduce reactive organic gases (ROG) and diesel particulate matter, in addition to NOx reduction projects that were previously eligible for Moyer grant money. The Moyer grant program serves as a model for future efforts to reduce particulate matter and NOx emissions from existing diesel engines not only in California, but also in other states and in other countries around the world.

MECA is a non-profit association of the world's leading manufacturers of emission control technology for motor vehicles. Our members have decades of experience and a proven track record in developing and manufacturing emission control technology for a wide variety of on-road and off-road vehicles and equipment. A number of our members have extensive experience in the development, manufacture, and application of diesel retrofit emission control technologies. In fact, our members are currently responsible for the vast majority of available ARB-verified diesel retrofit technologies.

MECA member companies are especially interested in Moyer projects that involve the use of verified diesel retrofit technologies. The proposed Moyer program guidelines indicate that retrofit projects must make use of ARB-verified technologies. Our members have invested and continue to invest significant resources in developing

and verifying diesel retrofit technologies for use on the whole range of in-use diesel engines currently operating in California, including on-road, off-road, and stationary sources. To date, the majority of the retrofit technologies verified using ARB's verification procedures have targeted on-road diesel engines. As noted in the staff report for the proposed Moyer program guidelines, many of these retrofit technologies verified for on-road engines can also be successfully applied to appropriate off-road or stationary diesel engines. MECA believes that there is an opportunity to greatly expand the range of verified off-road technologies available for Moyer grants through the extension of existing on-road verifications. Sound engineering principles based on the knowledge of engine size, duty cycle, exhaust temperature history, and engine-out emission characteristics can all be used to define appropriate off-road applications for existing verified on-road retrofit technologies. This type of engineering analysis complemented in some cases with limited engine test data can streamline and accelerate the verification extension process without the need for expensive and time consuming testing associated with the full-scale, verification application process. MECA would like to work with ARB staff to define a streamlined verification extension process that would help deliver more verified options to the off-road and stationary sectors, and expand the opportunities for owners of these engines to make use of retrofit projects within the expanded Moyer incentive program.

In closing, we commend the Air Resources Board for its continuing efforts to provide the people of California with healthy air quality and for demonstrating true leadership in administering and expanding the scope of the Carl Moyer incentive program. Our industry is prepared to do its part by continuing to develop and expand verified diesel retrofit technologies. MECA and its members look forward to working with ARB and all other interested stakeholders in implementing this important program.

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